



FuelCell Energy
Ultra-Clean, Efficient, Reliable Power

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California Public Utilities Commission Approves 5.6 MW Fuel Cell Energy Projects To Be Sited at State Universities

Danbury, CT – April 12, 2010 – FuelCell Energy, Inc. (NASDAQ: FCEL) a leading manufacturer of high efficiency ultra-clean power plants using renewable and other fuels for commercial, industrial, government, and utility customers today announced that the California Public Utilities Commission (CPUC) has authorized Pacific Gas and Electric Company and Southern California Edison Company to undertake Fuel Cell Projects to install utility-owned fuel cells on several University of California and California State University campuses. FuelCell Energy, Inc. (FCE) will work with the utilities to finalize contracts. “The CPUC has clearly demonstrated a leadership role in advancing environmentally friendly power generating sources with this decision,” commented Jeff Cox, Director Business Development FuelCell Energy, Inc. “This ruling is another milestone for FuelCell Energy as we work with prospective customers and regulatory bodies in the State of California to encourage the use of our highly efficient and environmentally friendly fuel cells.”

The CPUC approval includes the installation of four FCE 1.4 megawatts (MW) fuel cell power plants at four state universities in California. PG&E’s Fuel Cell Project will include the installation and operation of two FCE 1.4 MW facilities at California State University-East Bay and San Francisco State. The fuel cells plan to utilize the byproducts of the energy conversion process, including waste heat and water to meet the campus needs including thermal demand for heating the swimming pool at CSU-East Bay and using excess water for landscape irrigation. Southern California Edison’s Fuel Cell Project will include two FCE 1.4 MW units located at CSU-San Bernardino and CSU-Long Beach. The fuel cells will interconnect and operate in parallel with Edison’s distribution system and utilize the byproduct heat.

This approval is part of a program to support ultra clean distributed power generation. Distributed generation can provide increased reliability, power quality and energy security. The fuel cell power plants are expected to be configured to generate base load electricity for the facilities in addition to recovering the surplus heat byproduct for heating needs. This configuration can achieve up to 80% efficiency. Additionally, because fuel cells produce power electro-chemically, without combustion, they produce near-zero harmful emissions.

In conjunction with the installation of the fuel cell power plants, the state universities are expected to incorporate fuel cell technology into their respective curriculums to teach students and the public about the benefits of fuel cell systems. In the application for approval filed with the CPUC, F. King Alexander, President California State University – Long Beach was quoted from a letter of support stating “A fuel cell system on campus would not only be a great addition to our energy infrastructure but would also be a significant educational opportunity for students to learn and experience emerging clean power technology.”

The State of California is one of the country's leading environmental advocates with over 75 different incentive programs and laws to encourage the use of clean energy and reduce greenhouse gas emissions. For example, AB32 caps carbon dioxide emissions while the state's Renewable Portfolio Standard requires 33% clean energy generation by 2020 and the Government Office Building initiative aims to reduce state-owned energy use by 20% (1,935 MW) by 2015 from a 2003 baseline. Additionally, the California Air Resources Board's CARB07 strictly regulates distributed generation power plants, specifying limits for emissions of nitrous oxides, carbon monoxide and volatile organic compounds. FuelCell Energy products meet all of these stringent emission requirements.

About FuelCell Energy

DFC® fuel cells are generating power at over 50 locations worldwide. The Company's power plants have generated over 450 million kWh of power using a variety of fuels including renewable wastewater gas, biogas from beer and food processing, as well as natural gas and other hydrocarbon fuels. FuelCell Energy has partnerships with major power plant developers and power companies around the world. The Company also receives funding from the U.S. Department of Energy and other government agencies for the development of leading edge technologies such as fuel cells. For more information please visit our website at www.fuelcellenergy.com

This news release contains forward-looking statements, including statements regarding the Company's plans and expectations regarding the continuing development, commercialization and financing of its fuel cell technology and business plans. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Factors that could cause such a difference include, without limitation, general risks associated with product development, manufacturing, changes in the regulatory environment, customer strategies, potential volatility of energy prices, rapid technological change, competition, and the Company's ability to achieve its sales plans and cost reduction targets, as well as other risks set forth in the Company's filings with the Securities and Exchange Commission. The forward-looking statements contained herein speak only as of the date of this press release. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statement to reflect any change in the Company's expectations or any change in events, conditions or circumstances on which any such statement is based.

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